

**SERVICE QUALITY FACTORS EFFECTING
CUSTOMER'S BEHAVIORAL INTENTIONS
TOWARDS
SELESA BEACH RESORT, PORT DICKSON**

SITI ZUBAIDAH BINTI BAKRI

**Submitted in Partial Fulfillment
Of the Requirement for the
Bachelor of Business Administration
(Hons) Marketing**

**FACULTY OF BUSINESS MANAGEMENT
UITM, MELAKA**

2007

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) MARKETING
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
MELAKA**

"DECLARATION OF ORIGINAL WORK"

I, Siti Zubaidah Bt Bakri, (I.C Number: 830705055224)

Hereby, declare that,

- This work has not been previously accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature:.....

Date:..... 11 May 2007

LETTER OF TRANSMITTAL

11th May 2007

Dr. Nooraini Mohd Sheriff
Program Coordinator BBA (Marketing)
Faculty of Business Management
Universiti Teknologi MARA
78000 Alor Gajah
Melaka.

Dear Madam,

SUBMISSION OF PROJECT PAPER (MKT 660)

Attached is the project paper titled "SERVICE QUALITY FACTORS EFFECTING CUSTOMER'S BEHAVIORAL INTENTIONS TOWARDS SELESA BEACH RESORT, PORT DICKSON" to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Your kindness to accept this project paper is very much appreciated.

Thank You.

Yours sincerely,



.....
SITI ZUBAIDAH BAKRI
2004243582

Bachelor of Business Administration (Hons) Marketing

TABLE OF CONTENTS

PAGE

ACKNOWLEDGEMENT	iv
LIST OF TABLES	vii
LIST OF FIGURES	ix
ABSTRACT	x

CHAPTER 1: INTRODUCTION

1.1	Background of Study	1
1.2	Problem Statement	4
1.3	Research Questions	5
1.4	Research Objectives	6
1.5	Theoretical Framework	6
	1.5.1 SQ Dimensions	7
	1.5.2 Customer BI	9
1.6	Hypothesis	10
1.7	Significance of Study	11
1.8	Scope of Study	12
1.9	Limitation of Study	13
1.10	Definition of Terms	14

CHAPTER 2: LITERATURE REVIEW

2.1	Understanding Service Quality (SQ)	15
	2.1.1 SQ Dimensions	17
2.2	Understanding Behavioral Intentions (BI)	22
	2.2.1 Dimensions of BI	24
2.3	SQ & BI	27
	2.3.1 SQ & WOM	28
	2.3.2 SQ & Purchase Intention	28
	2.3.3 SQ & Price Sensitivity	29
	2.3.4 SQ & Complaining Behavior	29

CHAPTER 3: RESEARCH METHODOLOGY

3.1	Research Design	31
3.2	Sampling Design	31
	3.2.1 Target Population	31
	3.2.2 Sampling Frame	32
	3.2.3 Sampling Technique	32
	3.2.4 Sample Size	32
	3.2.5 Execution	33
3.3	Data Collection Method	33
	3.3.1 Primary Data	33
	3.3.2 Secondary Data	34
	3.3.2.1 Internal Data	34
	3.3.2.2 External Data	34
3.4	Survey Instrument	34
	3.4.1 Questionnaire	34
3.5	Data Analysis and Interpretation	35

CHAPTER 4: DATA ANALYSIS & INTERPRETATION

4.1	Introduction	37
-----	--------------	----

Abstract

The purpose of this study was to assist Selesa Beach Resort, Port Dickson in improving their service quality towards increasing the customer loyalty. The results of this study illustrate to develop a clear understanding on the dimensions of service quality in the context of Selesa Beach Resort, Port Dickson. Furthermore, it would help to identify the factors affecting the customer's behavioral intentions towards Selesa Beach Resort, Port Dickson. The study is hoped to suggest several methods that could be taken to improve the service quality that could be used as an input in designing customer retention strategies. The researcher investigated the degree to which behavioral intentions could be explained by service quality dimensions. Zeithaml et's (1996) theoretical framework was used to measure behavioral intentions while the five dimensions of SERVQUAL were used to measured perceived service quality. A total of 80 customers of Selesa Beach Resort, Port Dickson participated in this study.

The results indicated that the tangibles factors of service quality explained a highest proportion of customer's behavioral intentions towards Selesa Beach Resort, Port Dickson (52.2 percent) among five dimensions of service quality. There is a strong relationship between each dimension of service quality and behavioral intentions especially reliability with the highest contingency coefficient of 0.949. The findings also indicated that the customers of Selesa Beach Resort, Port Dickson are highly price conscious and not strongly loyal to the hotel. However, in general the customer evaluated the quality of the service as good and they have favorable intentions towards this hotel.